

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1259.
FILED, FEBRUARY 11th, 1965.

JELEX MINES LIMITED

Full corporate name of Company

Incorporated as Jellicoe Mines (1939) Limited under Part XI, the Companies Act (Ontario). Supplementary Letters Patent dated October 1, 1963, to change name.

Reference is made to previous Filing Statement No. 945, and Amending Filing Statement No. 134.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) Underwriting and Option Agreement respecting certain Treasury Shares. (b) Acquisition of additional mining claims in Ontario and Quebec, exploration over certain of the Company's properties and proposed further exploration (see Items 9 and 10.).
2. Head office address and any other office address.	Suite 309, 185 Bay Street, Toronto, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and Director: ELMORE M.DILLMAN, 2050 Stavebank Rd.N., Cooksville, Ontario, Professional Engineer, Prospector and Developer. Vice-President and Director: WILLIAM D.MACLEAN, 291 Riverside Dr., Oakville, Ontario, Professional Engineer. Secretary-Treasurer and Director: JAY ROSS, Cheltenham Ontario, Bookkeeper Director: CHARLES B.WALLACE, 28 Upper Canada Drive, Willowdale, Ontario, Insurance Executive. Director: JOHN S.GRANT, Q.C., 17 Daleberry Place, Willowdale, Ontario, One of Her Majesty's Counsel.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized - \$5,000,000 - 5,000,000 shares \$1 par Issued - 2,180,000 all as fully paid shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	By agreement with the Company dated February 8, 1965, S.J.Brooks & Co., a member of the Toronto Stock Exchange acting for certain clients, will purchase forthwith 200,000 shares from treasury at 20 cents per share. In consideration thereof the Company has granted to S.J. Brooks & Co., for its said clients, options to purchase all or any part of an additional 800,000 shares, being 200,000 shares at each of the respective prices of 20 cents, 25 cents, 30 cents and 40 cents per share, exercisable within 3, 6, 9 and 12 months respectively.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	S.J.Brooks & Co. aforesaid, has entered into the said underwriting and option agreement on behalf of its following clients, namely: - Dacron Corporation Limited, 185 Bay Street, Toronto, Ontario, and Tile Truckers Limited, Grimsby, Ontario, each as to a 37½% interest, and Marstan Investments Limited, 121 Richmond Street West, Toronto, Ontario, as to a 25% interest. The persons owning a greater than 5% interest in the said clients of Brooks are: Dacron Corporation Limited - Elmore M.Dillman, 2050 Stavebank Rd.N., Cooksville, Ontario, W.Z.Estey, Q.C., 2 Revere Place, Toronto, Ontario, and J. H. Dillman, Vancouver, British Columbia; Tile Truckers Limited - Ernest E.Lewis, 1235 Ravine Drive, Clarkson, Ontario, and K.D. Hanton, Indian Road, Port Credit, Ontario. Marstan Investments Limited - G.A.Kelly, 43 Carmichael Avenue, Toronto, Ontario, Ian L. Wyllie 7 Stag Hill Dr., Toronto, Ontario, and P. B. Cooke, 5 Baybrook, Scarborough, Ontario.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.

9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>The Company intends to employ funds to be received from the foregoing sale of shares to carry out diamond drilling on its optioned claims in MacDiarmid Township, Porcupine Mining Division, Ontario, at an estimated cost of \$10,000. In addition, the Company will do geophysical work on its Valrennes Township claims in Quebec, at an estimated cost of \$5,000. The Company will also carry out geophysical work on its newly acquired claims referred to in item 10 hereof, and will examine possible additional property acquisitions or participations and will continue to be active in staking additional claims. No portion of the company's funds will be used for any other purpose unless and until notice thereof has been given to and accepted for filing by the Toronto Stock Exchange.</p>
10. Brief statement of company's chief development work during past year.	<p>The Company has acquired at the staking cost thereof, a 50% interest in 106 mining claims in Moberley Township and in 37 claims in Evelyn Township, in the Porcupine Mining Division, Ontario. The holder of the other 50% interest therein is Nisto Mines Limited. The Company has staked and holds as to a 100% interest 4 claims in Prosser Township, 5 claims in Tully Township, 8 claims in Jessop Township and 8 claims in Jamieson Township, all in the Porcupine Mining Division, Ontario. The Company has also staked 25 claims in Dolomieu Township, Quebec, and holds all interest therein.</p> <p>The Company did diamond drilling on its Galinee Township claims in Quebec and geophysical surveys over its optioned claims in MacDiarmid Township. It also carried out, with Nisto Mines Limited and Frobex Limited an aerial survey over the Moberley Township claims.</p>
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	125,000 shares are in escrow with Crown Trust Company at Toronto, and require the prior consent of the Toronto Stock Exchange before any release pro rata among registered holders.
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	<p>Leo Cyr, Box 1347, Amos, Quebec. 12,500 shares Elmore M. Dillman, 2050 Stavebank Rd.N. 112,500 shares Cooksville, Ontario</p>
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>S.J Brooks & Co., 185 Bay Street, Toronto, Ontario. 471,458 shares Doherty Roadhouse & McCuaig Bros., 335 Bay Street, Toronto, Ontario 112,504 shares Elmore M. Dillman, 2050 Stavebank Rd.N.Cooksville Ontario (escrowed-beneficial owner) 112,500 shares James Richardson & Sons Ltd., 8 King Street E. Toronto 69,057 shares Ross, Knowles & Co.Ltd., 105 Adelaide St.W.Toronto 39,216 shares The Company does not know the beneficial owners of any of the shares registered in the names of brokers as above.</p>

FINANCIAL STATEMENTS

JELEX MINES LIMITED
(Incorporated under the laws of Ontario)

BALANCE SHEET

February 5, 1965

ASSETS

Current Assets

Cash in bank	\$43,114.21
Marketable securities - at cost (quoted market value \$112,335)	86,560.70
Deposit with Government of Ireland	1,500.00
Accounts receivable	<u>6,398.77</u> \$137,573.68

Mining Claims

Mining claims held under miner's certificates in Poirier Township, Quebec, at the value placed upon 300,000 shares of the company's capital stock issued therefor and \$8,000 cash	38,000.00
Other mining claims - at nominal value	<u>5.00</u> 38,005.00

Option To Purchase Mining Claims

MacDiarmid Township, Porcupine Mining Division, Ontario - at cost	3,000.00
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Prospecting Equipment - at cost

2,353.00

Investment In Other Mining Companies - at nominal value

1.00

Deferred Expenditure

Exploration	88,745.77
Administration	<u>20,554.64</u> 109,300.41
	\$290,233.09

LIABILITIES

Current Liabilities

Account payable	\$ 127.56
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Shareholders' Equity

Capital stock	
Authorized - 5,000,000 shares of \$1 each	
Issued and fully paid - 2,180,000 shares	\$2,180,000.00
Less discount on shares	<u>1,913,700.00</u>
	266,300.00
Contributed surplus	970.15
Earned surplus	<u>22,835.38</u> 290,105.53
	\$290,233.09

Approved on behalf of the Board:

W. H. Gray Director
J. L. Lewis Director

JELEX MINES LIMITED

STATEMENT OF EARNED SURPLUS

For the period from May 1, 1964 to February 5, 1965

Gain on sale of marketable securities	\$23,160.47	
Dividends received	<u>720.20</u>	\$23,880.67
 Deduct:		
Interest expense	452.61	
Prospecting expense	<u>592.68</u>	<u>1,045.29</u>
 Balance at February 5, 1965		\$22,835.38

STATEMENT OF MARKETABLE SECURITIES

February 5, 1965

			Quoted Market Value
		Cost	
10,000 shares	Agnico Mines Ltd.	\$15,523.00	\$ 16,000.00
4,000 shares	Cons. Moguel Mines Ltd.	21,100.00	21,800.00
1,000 shares	Denison Mines Ltd.	17,143.75	28,000.00
200 shares	Newmont Mining Corp.	9,978.95	10,535.00
4,000 shares	Northgate Exploration Ltd.	<u>22,815.00</u>	<u>36,000.00</u>
		\$86,560.70	\$112,335.00

STATEMENT OF DEFERRED EXPLORATION EXPENDITURE

For the period from May 1, 1964 to February 5, 1965

County Donegal Area, Ireland

Balance at May 1, 1964 \$ 8,338.27

Galinee Township Area, Quebec

Balance at May 1, 1964	\$21,081.93
Diamond drilling	5,243.59
Engineers' fees and expenses	1,534.97
Mining licenses	260.00
Travelling	<u>200.00</u>
	28,320.49

Poirier Township Area, Quebec

Balance at May 1, 1964	29,462.78
Mining licenses	<u>240.00</u>

Valrennes Township Area, Quebec

Balance at May 1, 1964	1,979.00
Line cutting	<u>1,527.50</u>
Assaying	11.50
Mining licenses	<u>600.00</u>
	4,118.00

Courville Township Area, Quebec

Balance at May 1, 1964 1,895.83
 Prospecting 50.00 1,945.83

MacDiarmid Township Area, Ontario

Balance at May 1, 1964	614.59
Line cutting	1,155.90
Geophysical work	5,326.50
Engineer's fees and expenses	196.00
Mining licenses	<u>10.50</u>
	7,303.49

Timmins Area, Ontario

Geophysical work	2,000.00
Engineer's fees and expenses	500.00
Staking costs	6,446.18
Maps	20.23
Travelling	<u>50.50</u>
	<u>9,016.91</u>
	\$88,745.77

STATEMENT OF DEFERRED ADMINISTRATION EXPENDITURE

For the period from May 1, 1964 to February 5, 1965

Balance at May 1, 1964		\$15,017.40
Directors' fees	\$ 375.00	
Head office services	2,250.00	
Legal and audit	1,304.51	
Transfer agency fees	427.41	
Shareholders' information	718.65	
Government fees and taxes	205.96	
Office and general expense	<u>255.71</u>	<u>5,537.24</u>
Balance at February 5, 1965		\$20,554.64
		<u><u></u></u>

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the period from May 1, 1964 to February 5, 1965

Source of funds

Gain on sale of marketable securities	\$ 23,160.47
Dividends received	<u>720.20</u> \$23,880.67

Application of funds

Exploration expenditure	
Galinee Township Area, Quebec	\$ 7,238.56
Poirier Township Area, Quebec	240.00
Valrennes Township Area, Quebec	2,139.00
Courville Township Area, Quebec	50.00
MacDiarmid Township Area, Ontario	6,688.90
Timmins Area, Ontario	<u>9,016.91</u> 25,373.37
Administration expenditure	5,537.24
Interest expense	452.61
Prospecting expense	<u>592.68</u> <u>31,955.90</u>

Balance representing the decrease in
working capital as follows

8,075.23

	<u>May 1, 1964</u>	<u>February 5, 1965</u>
Current assets	\$159,700.48	\$137,573.68
Current liabilities	<u>14,179.13</u>	<u>127.56</u>
	\$145,521.35	\$137,446.12
	<u><u></u></u>	<u><u>8,075.23</u></u>

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	The present directors of the Company are believed to be in such position, subject however to solicitation of proxies in sufficient numbers from the shareholders named in Item 15 hereof and from other shareholders.																							
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table border="1"> <thead> <tr> <th></th> <th style="text-align: right;">Cost</th> <th style="text-align: right;">Quoted Market Value</th> </tr> </thead> <tbody> <tr> <td>10,000 shares Agnico Mines</td> <td style="text-align: right;">\$15,523.00</td> <td style="text-align: right;">\$16,000.00</td> </tr> <tr> <td>4,000 shares Cons. Mogul Mines</td> <td style="text-align: right;">21,100.00</td> <td style="text-align: right;">\$21,800.00</td> </tr> <tr> <td>1,000 shares Denison Mines</td> <td style="text-align: right;">17,143.75</td> <td style="text-align: right;">28,000.00</td> </tr> <tr> <td>200 shares Newmont Mining</td> <td style="text-align: right;">9,978.95</td> <td style="text-align: right;">10,535.00</td> </tr> <tr> <td>4,000 shares Northgate Exploration</td> <td style="text-align: right;"><u>22,815.00</u></td> <td style="text-align: right;"><u>36,000.00</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$86,560.70</u></td> <td style="text-align: right;"><u>\$112,335.00</u></td> </tr> </tbody> </table>				Cost	Quoted Market Value	10,000 shares Agnico Mines	\$15,523.00	\$16,000.00	4,000 shares Cons. Mogul Mines	21,100.00	\$21,800.00	1,000 shares Denison Mines	17,143.75	28,000.00	200 shares Newmont Mining	9,978.95	10,535.00	4,000 shares Northgate Exploration	<u>22,815.00</u>	<u>36,000.00</u>		<u>\$86,560.70</u>	<u>\$112,335.00</u>
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18. Brief statement of any lawsuits pending or in process against company or its properties.	None																							
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None																							
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	No other material facts. The shares which may be taken down under the underwriting and option agreement referred to in Item 6 hereof may be in primary distribution.																							

DATED February 9, 1965
CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

JELEX MINES LIMITED

"W. D. MacLean"



CORPORATE
SEAL

"J. Ross"

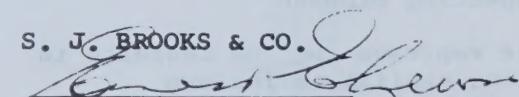


CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

S. J. BROOKS & CO.

"E. E. Lewis"



THE EXCHANGE HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THIS FILING STATEMENT, WHICH IS A REPRODUCTION OF THE ORIGINAL FILED WITH THE EXCHANGE BY THE COMPANY AND IS ISSUED FOR INFORMATION PURPOSES ONLY. THIS FILING STATEMENT IS NOT TO BE REPRODUCED IN WHOLE OR IN PART WITHOUT THE WRITTEN APPROVAL OF THE TORONTO STOCK EXCHANGE.

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1362.
FILED, OCTOBER 28th, 1965.

JELEX MINES LIMITED

Incorporated as Jellicoe Mines (1939) Limited under Part XI, The Companies Act, (Ontario). Supplemental Letters Patent dated October 1st, 1963, to change name.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous Filing Statement No. 1259.

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Option on 20 mining claims in Gaspe Park, Quebec (see Items 11 and 12).
2. Head office address and any other office address.	Suite 309, 185 Bay Street, Toronto, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>President and Director: ELMORE M. DILLMAN, 2050 Stavebank Rd. N. Cooksville, Ontario, Professional Engineer Prospector and Developer.</p> <p>Vice-President and Director: WILLIAM D. MacLEAN, 291 Riverside Dr., Oakville, Ontario, Professional Engineer.</p> <p>Secretary-Treasurer and Director: JAY ROSS, Cheltenham, Ontario, Bookkeeper</p> <p>Director: CHARLES B. WALLACE, 28 Upper Canada Drive, Willowdale, Ontario, Insurance Executive.</p> <p>Director: JOHN S. GRANT, Q.C., 17 Daleberry Place, Willowdale, Ontario, Lawyer.</p>
4. Share capitalization showing authorized and issued and outstanding capital.	<p>Authorized: \$5,000,000 - 5,000,000 shares \$1.00 par.</p> <p>Issued: 2,480,000 - all as fully paid shares.</p>
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Under an existing agreement dated February 8th, 1965, as amended, S. J. Brooks & Company, acting for clients, holds unexercised options on 700,000 shares, namely 100,000 shares at 20¢ due November 11th, 1965; 200,000 shares at 25¢ due February 11th, 1966; 200,000 shares at 30¢ due May 11th, 1966; 200,000 shares at 40¢ due August 11th, 1966.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	S. J. Brooks & Company aforesaid holds its said option rights on behalf of its client, Dacron Corporation Limited, 185 Bay St. Toronto, as to all interest therein. Persons owning a greater than 5% interest in Dacron Corporation Limited are F. M. Dillman, 2050 Stavebank Road North, Cooksville, Ontario, W. Z. Estey, Q.C. 2 Revere Place, Toronto, Ontario and J. H. Dillman, Vancouver, B.C. Mr. Dillman is the president and a director of Jelex Mines Limited.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company will use up to \$60,000.00 of its present funds, if first results continue to justify same, in exploring by geophysical and geochemical means its newly optioned mining claims in Lesseps Township, Gaspe Park Quebec, and in carrying out diamond drilling thereon, all as recommended in the report of Fenton Scott, Mining Engineer, dated October 21st, 1965, to which reference is hereby made. The Company also intends to do further diamond drilling on its claims in Galinee Township, Quebec at an estimated cost of \$10,000.00. No part of the company's funds will be used to invest in securities unless the same qualify for investment by insurance companies.

10. Brief statement of company's chief development work during past year.	<p>The Company did diamond drilling on its optioned claims in Macdiarmid Township, Ontario and dropped the option as the result thereof. Geophysical work was carried out over the claims in Moberley, Evelyn, Prosser, Tully and Jamieson Townships in Ontario and such work has been recorded and is sufficient to protect these properties for a further year. Geophysical work and diamond drilling was done on the claims in Valrennes Township, Quebec and geophysical work was done in Galinee Township claims in Quebec.</p>
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	<p>By agreement dated October 18th, 1965, and made between the company and C. B. Dixon of 58 Lympstone, Toronto, Ont. ("Dixon") the company upon payment of \$20,000.00 to Mr. Dixon will acquire from him all rights held by him as optionee on 20 unpatented mining claims in Lesseps Township, Gaspe Park, Quebec pursuant to an option agreement between Dixon and C. L. Gauthier of 110 Place Cremazie, Montreal, Quebec ("Gauthier"). The company by virtue of such assignment from Dixon holds an option from Gauthier to buy the said 20 claims exercisable until Nov. 1, 1967, upon payment of \$25,000.00 to Gauthier. In addition, a new company must be incorporated under the laws of Quebec to acquire the claims, such new company to have a capital of 5,000,000 shares and Gauthier is to receive 225,000 vendor shares thereof and Bison is to receive 225,000 vendor shares thereof provided that 10% of such vendor shares shall be free from escrow and the remaining 90% shall be issued subject to such terms of escrow as may be required by the Quebec Securities Commission. During the course of the option the company has full right to enter upon the mining claims and to examine and explore the same by such means as it may decide. The mining claims are identified as claims 1 to 5 inclusive on miner's certificates #221037, 221038, 222458 and 223600</p>
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	<p>C. B. Dixon, 58 Lympstone, Toronto, Ontario C. L. Gauthier, Suite 426, 110 Place Cremazie, Montreal, Quebec</p>
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	<p>125,000 shares are in escrow with Crown Trust Company at Toronto and require the prior consent of the Toronto Stock Exchange before any release pro rata among registered holders.</p>
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	<p>Leo Cyr, Box 1347, Amos Quebec 12,500 shares Elmore M. Dillman, 2050 Stavebank Rd. No. Cooksville, Ontario 112,500 shares</p>
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>S. J. Brooks & Company, 185 Bay St., Toronto 1, Ontario 451,925 Dacron Corporation Limited, 185 Bay St., Toronto 1, Ontario 200,000 Doherty Roadhouse and McCuaig Brothers, 335 Bay St., Toronto 1, Ontario 154,480 Elmore M. Dillman, Room 309, 185 Bay St., Toronto 1, Ontario 112,500 James Richardson & Sons, 173 Portage Ave. East, Winnipeg, Manitoba 57,061 The Company does not know the beneficial owners of any of the shares registered in the names of brokers as above.</p>

FINANCIAL STATEMENTS

JELEX MINES LIMITED
(Incorporated under the laws of Ontario)

BALANCE SHEET

September 30, 1965

ASSETS

Current Assets

Cash in bank	\$ 43,128.23
Marketable securities - at cost (quoted market value \$125,336)	104,760.33
Deposit with Government of Ireland	1,500.00
Account receivable	<u>1,325.26</u>

Mining Claims

Mining claims held under development licenses in Poirier Township, Quebec at the value placed upon 300,000 shares of the company's capital stock issued therefor and \$8,000 cash	38,000.00
Other claims - at nominal value	<u>4.00</u>

Investments In Other Mining Companies

- at nominal value	1.00
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Deferred Expenditure

Exploration	108,955.61
Administration	<u>27,790.84</u>
	<u><u>325,465.27</u></u>

LIABILITIES

Current Liabilities

Accounts payable	\$ 5,811.98
Broker (secured)	<u>127.50</u>
Other	<u><u>\$ 5,939.54</u></u>

Shareholders' Equity

Capital stock	
Authorized - 5,000,000 shares of \$1 each	
Issued and fully paid - 2,480,000 shares	2,480,000.00
Less discount	<u>2,153,700.00</u>
	<u>326,300.00</u>
Deficit	<u>6,774.27</u>
	<u><u>\$ 325,465.27</u></u>

Approved on behalf of the Board:

Clifford Dillman Director
Frank J. Ness Director

JELEX MINES LIMITED

STATEMENT OF DEFICIT

For the 5 months ended September 30, 1965

Balance at May 1, 1965		\$ 11,549.37
Add:		
Prospecting expense	\$ 6,134.01	
Interest expense	<u>272.54</u>	<u>6,406.55</u>
		17,955.92
Deduct:		
Proceeds from sale of investment written off as valueless in a prior year	11,108.71	
Dividends received	<u>72.94</u>	<u>11,181.65</u>
Balance at September 30, 1965		\$ 6,774.27

STATEMENT OF MARKETABLE SECURITIES

September 30, 1965

		Cost	Quoted Market Value
10,000 shares	Agnico Mines Limited	\$ 15,523.00	\$ 11,700.00
4,000 shares	Consolidated Mogul Mines Ltd.	21,100.00	17,200.00
1,000 shares	Denison Mines Limited	17,143.75	34,000.00
4,000 shares	Northgate Explorations Ltd.	22,815.00	33,600.00
400 shares	Texas Gulf Sulphur Inc.	<u>28,178.58</u>	<u>28,836.50</u>
		\$104,760.33	\$125,336.50

JELEX MINES LIMITED

STATEMENT OF DEFERRED EXPLORATION EXPENDITURE

For the 5 months ended September 30, 1965

	<u>Balance, May 1, 1965</u>	<u>Expenditures to September 30, 1965</u>	<u>Balance September 30, 1965</u>
General exploration staking costs and property examinations:			
Galinee Township Area, Quebec	\$ 28,934.50	\$ 557.50	\$ 29,492.00
Poirier Township Area, Quebec	29,702.78	246.32	29,949.10
Valrennes Township Area, Quebec	21,161.40	45.00	21,206.40
Timmins Area, Ontario	17,634.97	7,198.82	24,833.79
Other areas		<u>3,474.32</u>	<u>3,474.32</u>
	<u>\$ 97,433.65</u>	<u>\$ 11,521.96</u>	<u>\$108,955.61</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>

STATEMENT OF DEFERRED ADMINISTRATION EXPENDITURE

For the 5 months ended September 30, 1965

Balance at May 1, 1965		\$25,461.38
Head office services		\$1,250.00
Legal fees		700.00
Transfer agency fees		215.62
Shareholders information		1.73
Government fees		10.00
Office and general expense		<u>152.11</u>
		<u>2,329.46</u>
Balance at September 30, 1965		\$27,790.84
		<u>=====</u>

JELEX MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the 5 months ended September 30, 1965

Source of funds

Proceeds from sale of treasury shares	\$ 20,000.00
Proceeds from sale of investment written off as valueless in a prior year	11,108.71
Dividends received	<u>72.94</u>
	<u>\$31,181.65</u>

Application of funds

Exploration expenditure	11,521.96
Administration expenditure	2,329.46
Interest expense	272.54
Prospecting expense	<u>6,134.01</u>
	<u>20,257.97</u>

Balance representing increase in working capital as follows

	<u>May 1, 1965</u>	<u>September 30, 1965</u>
Current assets	\$155,390.87	\$150,713.82
Current liabilities	<u>21,540.27</u>	<u>5,939.54</u>
	<u>\$133,850.60</u>	<u>\$144,774.28</u>
	<u>=====</u>	<u>=====</u>
		<u>\$10,923.68</u>

ENGINEER'S REPORT

Note : The following are excerpts from a report by F. Scott, P.Eng., dated October 21st, 1965, on mining claims located in Lesseps Township, Quebec. A complete copy of this report is on file with the Toronto Stock Exchange.

SUMMARY

The property occurs in a stratigraphic and metamorphic setting known to be favourable to ore deposition in this particular area. Because of the copper discovery drilled approximately one mile to the north-west by Sullico Mines and the reported discovery of important copper values two miles to the east, on the property being drilled by Terra Nova Explorations, an extensive exploration program for the claims under discussion is justified.

RECOMMENDATIONS

Because of the geological similarities between the outcrops on the claims and those surrounding the Gaspe Copper and Terra Nova deposits, fairly large exploration expenditures are warranted. Normal geophysical techniques, do not always directly point to mineralization in this area but can be used to define potential loci of ore deposition to guide diamond drilling. I would therefore recommend the following program:

- (1) A detailed magnetometer survey. Magnetite is associated with copper-bearing float in the general vicinity.
- (2) An extensive geochemical analysis of the soils and stream sediments.
- (3) Geological mapping of all outcrops and angular debris.

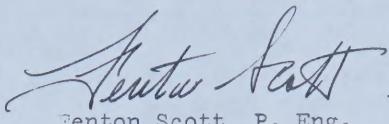
In areas where information is lacking, a bulldozer should be employed.

- (4) An induced potential survey over the entire group.
- (5) Gravity profiles across the claims. Copper deposits of the type sought here are often localized at the "marble line" or contact between skarn or limestone. The density contrast at this contact can often be detected by gravity changes.
- (6) Diamond drilling. No outcrops of the more calcareous, and, by inference, more favourable, strata were noted during

examination of the property. A correlation of the outcrops noted with the geological succession indicated that limestones are present at depth, and should be tested. Structural information gained in geological mapping can be used in determining optimum drill locations.

The cost of the above recommendations will be \$60,000.

Respectfully submitted,



Fenton Scott, P. Eng.

Oct. 21, 1965.

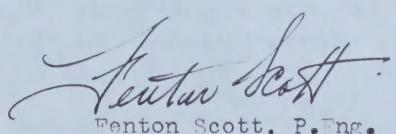
BASIS OF REPORT

- (1) An examination of the western half of the property on October 11, 1965.
- (2) Maps of the Quebec Department of Natural Resources.
- (3) A study of all published geological literature on the area.
- (4) Conversations with knowledgeable persons familiar with the area.
- (5) Post-graduate studies of rock alteration associated with copper deposits.
- (6) Geological traverses throughout the Gaspe Peninsula.
- (7) Seven years experience in the exploration and development of copper deposits in the Gaspe Peninsula.

CERTIFICATE

With reference to this report, I am pleased to state that:

- (1) I am a graduate in geology from the University of New Brunswick (1948).
- (2) I have practiced my profession continually for the past 17 years.
- (3) I am a member of the Association of Professional Engineers of Ontario, the Canadian Institute of Mining and Metallurgy, and the Geological Association of Canada.
- (4) I have no present or anticipated interest, either direct or indirect in the securities of any Company acquiring this property or in the claims covered by this report.



Fenton Scott, P. Eng.

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.

The present directors of the company are believed to be in such position, subject however to solicitation of proxies in sufficient numbers from the shareholders named in Item 15 hereof and from other shareholders

17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.

NO. of Shares	Company	Cost	Quoted Market Value
4,000	Consolidated Mogul Mines Limited	\$21,100.00	\$15,200.00
1,000	Denison Mines Limited	17,143.75	40,000.00
4,000	Northgate Explorations Limited	22,815.00	33,400.00
400	Texas Gulf Sulphur Inc.	28,178.58	27,500.00
		\$89,237.33	\$116,100.00

18. Brief statement of any lawsuits pending or in process against company or its properties.

None

19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.

None

20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.

No other material facts. Any shares which may be taken down under the options referred to in Item 6. hereof will be in primary distribution to the public

DATED October 26th, 1965

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

JELEX MINES LIMITED

"E.W. Dillman" Per E.W. Dillman CORPORATE SEAL

"J. Ross" Per Ross

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

"S.J. Ellis"

S.J. Ellis